

rights in return for normal trade relations were jettisoned in 1994. Looming on the horizon is the ballyhooed trade war over our threat to impose higher tariffs on some Chinese goods, in retaliation for China's blatant continuing violation of United States intellectual property rights, IPR. We have been down this road before. It was only in February 1995, when threatened with higher tariffs on \$1 billion of its goods, that China signed an agreement to curb IPR piracy. In the 15 months since, by the estimate of the Motion Picture Industry Association, the harm to U.S. copyrighters has actually increased.

Let us see if we can briefly discern a pattern here. In 1992, the administration promises to link trade preferences to improvement in human rights. Two years later, that policy is abandoned. In 1995, our intelligence agencies discover Chinese violations of non-proliferation obligations. Sanctions are threatened and then abandoned in the face of promises to do better. Also, in 1995, the Chinese promise to do better on IPR and the problem worsens. Our response: more tough talk, and this time "we mean it." If I were sitting in Beijing, I would come to the conclusion that the threats are empty, the rhetoric hollow.

Constructive engagement has failed to alter Chinese behavior to the good. So let us drop the pretense and cut to the quick. We trade with China and extend to it normal trading privileges because our Government believes it benefits American business, the United States economy, and, therefore, the national interest. We look the other way, in practice if not in word, on Chinese violations of human rights, non-proliferation—perhaps in the end even on IPR—because it is good for business. As I said at the outset, I find this rationale perplexing.

Our trading relationship with China is really quite one-sided. Writing in the New York Times, May 16, Alan Tonelson, a research fellow at the U.S. Business and Industrial Association, argued that our \$34 billion trade deficit with China depresses job creation, wages and growth of the United States economy. This tremendous deficit—which has helped China amass more than \$70 billion in foreign reserves, a war chest useful to riding out any trade war—is not the result of fair-trading practices. China is a protectionist nation, Mr. Tonelson notes, with some of the highest tariffs in the world. It dumps artificially low-priced goods—products manufactured by children and convicts—on American markets, hurting U.S. competitors. According to Mr. Tonelson, China extorts know how and high-skill jobs from American companies, such as Boeing, seeking to set up shop in China. Certainly China is a vast market, with tremendous potential. But our 1995 exports to China of \$11.7 billion—only 0.12 percent of our GNP—were less than what we send to Belgium or Hong Kong.

On the other hand, we buy up to 40 percent of China's exports and that allows China to finance its industrial and military modernization program. We have the leverage to make them play by the rules of the game. Does it not make sense to use that leverage now, from a relative position of strength, than try to make the Chinese play fair 10, 20, or 30 years from now when by many projections it will be a legitimate superpower? As Mr. Tonelson notes, even the higher tariffs imposed on China under a non-MFN scheme would still be lower than China's tariffs on our products.

Mr. President, if mortal outrage at blatant abuse of human rights is not reason enough for taking a tough stance with China—and I believe it is and that the American people do as well—then let us do so on grounds of self-interest.

United States credibility is at stake; a firm stance which refuses China the privilege—not the right—of MFN will enhance United States stature and, in the long run, benefit United States business, the American consumer, and, we can hope, ultimately leads to an improvement in China's economic and political behavior.

ADDITIONAL COSPONSORS

S. 459

At the request of Mr. BOND, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 459, a bill to provide surveillance, research, and services aimed at prevention of birth defects, and for other purposes.

S. 607

At the request of Mr. WARNER, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1389

At the request of Mrs. FEINSTEIN, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from California [Mrs. BOXER] were added as cosponsors of S. 1389, a bill to reform the financing of Federal elections, and for other purposes.

S. 1703

At the request of Mr. MURKOWSKI, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 1703, a bill to amend the Act establishing the National Park Foundation.

S. 1714

At the request of Mr. BURNS, the names of the Senator from Alabama

[Mr. HEFLIN] and the Senator from Missouri [Mr. ASHCROFT] were added as cosponsors of S. 1714, a bill to amend title 49, United States Code, to ensure the ability of utility providers to establish, improve, operate, and maintain utility structures, facilities, and equipment for the benefit, safety, and well-being of consumers, by removing limitations on maximum driving and on-duty time pertaining to utility vehicle operators and drivers, and for other purposes.

S. 1735

At the request of Mr. PRESSLER, the names of the Senator from Michigan [Mr. ABRAHAM] and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 1735, a bill to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

S. 1743

At the request of Mr. BINGAMAN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1756

At the request of Ms. MOSELEY-BRAUN, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 1756, a bill to provide additional pension security for spouses and former spouses, and for other purposes.

S. 1757

At the request of Mr. FRIST, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1757, a bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes.

S. 1771

At the request of Mr. MURKOWSKI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1771, a bill to amend the Consolidated Omnibus Reconciliation Act of 1985 to clarify that the fee for providing customs services in connection with passengers arriving on commercial vessels making a single voyage may be collected only one time from each passenger, and for other purposes.

S. 1840

At the request of Mr. PRESSLER, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1840, a bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and